

PRICING STRUCTURE FOR CARTIER
(Los Angeles Market)

NOT
FINAL

6% Sales Tax

1.83
B&H 100's
Deluxe
Ultra Lights

Dunhill*

Davidoff*

Cartier 20's 3.00

Cartier 10's 1.80 1.85

Retail Price Per Pack \$ 1.60 ^{2.58} \$ 2.35 \$ 3.71 \$ 2.75 ^{3.11} \$ 1.60

Trade Mark-ups

Wholesale 5.0% [✓] 15.7% 23.4% 14.0% 14.0% ^{17%}

Retail 24.5% [✓] 40.3% [✓] 49.9% [✓] 50.0% 50.0% ^{45%}

40% more
than Dunhill

Per 1000 Cigarettes

| | | | | | |
|--------------------------|-----------------|-------------------------------|-----------------|-------------------------------|---------------------------------|
| Manufacturers List Price | \$ 45.15 | \$ 56.70 | \$ 85.60 | \$ 65.00 ^{91.02} | \$ 78.60 ^{104.823} |
| Discount (3.25%) | <u>1.47</u> | <u>1.84</u> | <u>2.78</u> | <u>2.11</u> | <u>2.56</u> ¹⁰²⁷ |
| Net Price | 43.68 | 54.86 | 82.82 | 62.89 | 76.04 ⁷⁹⁶ |
| State Excise Tax | <u>17.50</u> | <u>17.50</u> ^{22.30} | <u>17.50</u> | <u>17.50</u> | <u>17.50</u> ¹⁷⁵ |
| Cost to Wholesaler | <u>61.18</u> | <u>72.36</u> | <u>100.32</u> | <u>80.39</u> ^{110.6} | <u>93.54</u> ⁹⁷¹ |
| Wholesale Mark-up | <u>3.06</u> | <u>11.39</u> | <u>23.43</u> | <u>11.26</u> | <u>13.10</u> ¹³⁶ |
| Cost to Retailer | <u>\$ 64.24</u> | <u>\$ 83.75</u> | <u>\$123.75</u> | <u>\$ 91.65</u> | <u>\$106.64</u> ¹¹⁰⁷ |
| Retail Mark-up | <u>15.76</u> | <u>33.75</u> | <u>61.75</u> | <u>45.83</u> | <u>53.32</u> ⁵⁵³ |
| Retail Price | \$ 80.00 | \$117.50 | \$185.50 | \$137.48 | \$159.96 ¹⁶⁶ |

K 1.065 Sales Tax

* Based on Los Angeles market check.

204538100

Wholesale + 2% 65.00 → 66.30 = +\$1.30
Retail + 2% 65.00 → 66.30 = +\$1.30
Both + 2% 65.00 → 67.30 = +\$2.30

X 1.08 1.793